



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2011 Biennium

Bill #	HB0456	Title:	Require seat belts on new school buses
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Primary Sponsor:	Cohenour, Jill	Status:	As Introduced
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| <input checked="" type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: The requirement HB 456 for seat belts on school buses is projected to cost local property taxpayers \$1.7 million annually. There is no state fiscal impact.

FISCAL ANALYSIS

Assumptions:

1. Between 2004 and 2009 a yearly average of 130 school buses were purchased.
2. School bus capacities are: Type A, 20 students; Type B, 50 students; Type C, 72 students; and Type D, 80 students.
3. Bus seating in all bus types is three students per seat.
4. According to SafeGuard, a manufacturer of belted school bus seats, the approximate cost above the initial cost per seat will be \$550.

5. The following table shows the estimated cost, statewide, per year, to implement HB 456:

<u>Bus Type</u>	<u>Average # of buses to be replaced</u>	<u>Total Seats</u>	<u>Cost per Seat</u>	<u>Total Cost</u>
A	11	79	\$550	\$43,450
B	3	43	\$550	\$23,650
C	76	1828	\$550	\$1,005,400
D	40	1071	\$550	\$589,050
TOTAL	130	3021		\$1,661,550

6. The additional cost of new buses with seatbelts will be paid by school districts by increasing property tax levies for the district transportation fund and/or the bus depreciation fund.

Effect on County or Other Local Revenues or Expenditures:

1. School districts would levy local property taxes of approximately \$1.66 million dollars per year to cover the additional costs imposed by HB 456. The additional cost will be incurred in the district transportation fund and/or the bus depreciation fund, both of which are funded with local property taxes.

Technical Notes:

1. If a used bus is purchased after January 1, 2011, will it need to be retrofitted with belts? The bill does not distinguish between new buses and used buses purchased after January 1, 2011.
2. The proposed requirement of seat belts on buses creates an unfunded mandate for school districts and local property taxpayers.

Sponsor's Initials

Date

Budget Director's Initials

Date